

**APPLICATION FOR PERMIT  
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA**

Date of filing in State Engineer's Office DEC 21 1993

Returned to applicant for correction \_\_\_\_\_

Corrected application filed \_\_\_\_\_

Map filed JAN 19 1994 under 59626

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The applicant **Lone Tree Mining, Inc.**, hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members) **Delaware 2-21-90**

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1. The source of the proposed appropriation is **Underground**

2. The amount of water applied for is **18.51 cfs**

(a) If stored in reservoir give number of acre-feet

3. The water to be used for **Dewatering**

4. If use is for:

(a) Irrigation, state number of acres to be irrigated

(b) Stockwater, state number and kinds of animals to be watered

(c) Other use (describe fully under No. 12. "Remarks") **See No. 12**

(d) Power:

(1) Horsepower developed

(2) Point of return of water to stream

5. The water is to be diverted from its source at the following point **SW $\frac{1}{4}$  NE $\frac{1}{4}$  of Section 14, T34N, R42E, or at a point from which the E $\frac{1}{4}$  corner of said Section 14 bears S 71° 26' 00" E a distance of 2082.20 ft.**

6. Place of Use **Sections 1, 2, 11, 12, 13, 14, 15, 23, 24 T.34N, R.42E MDB&M**

7. Use will begin about **January 1** and end about **December 31** of each year.

8. Description of proposed works **Well casing, pump and distribution system**

9. Estimated cost of works **\$500,000**

10. Estimated time required to construct works **Two Years**

11. Estimated time required to complete the application of water to beneficial use **Five years**

12. Remarks: This application is for mine dewatering at Lone Tree Mine. Accordingly, it is the intent of Lone Tree Mining, Inc. that any permit granted pursuant to this application will be related to Lone Tree Mining, Inc.'s other dewatering permits, including without limitation, Permit Nos. 56578-56586. It is the intent of Lone Tree Mining, Inc. that any permit granted hereunder shall be subject to the Rule Concerning Spacing Requirements in a portion of the Clovers Area Groundwater Basin (64) and the Pumpernickel Valley Groundwater Basin (65) and shall be used in accordance with the terms and conditions of that rule.

By s/ Cynthia M. DeWeese  
P.O. Box 388  
Valmy, NV 89438

Compared lt/ gkl lt/

Protested 4/5/94 by Lander County; 4/7/94 by Humboldt River Basin  
Water Authority;

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APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins or before the Proof of Completion of Work is filed.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the groundwater basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies, and is specifically issued contingent upon approval by the Nevada Division of Environmental Protection of the dewatering project.

The total combined diversion rate of Permits 54761, Certificate 14565; 54763, Certificate 14566; 56406, Certificate 14567; 56407, 56578, 56951, 57103, 59243, 59244, 59245, 59246, 59247, 59248, 59249, 59250, 59251, 59627, 59629, 59630, 60288, 60289, 60290, 60291, 60292, 60293, 60294, Certificate 15285; 60295, Certificate 15286; 60296, Certificate 15287; 60297, 60298, Certificate 15288; 60300, 60301, 60302, 60303, Certificate 15289; 60685, Certificate 15290; 62608, 62609, 62610, 62611, 62612, 62778, 72017-T through 72036-T, inclusive, and Secondary Permits 62320 S-1, 62320 S-2, 62320 S-3, 62320 S-4 and 62320 S-6 will not exceed 56,000 gallons per minute for mining, milling and dewatering purposes.

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The total volume of water allowed to be diverted under the above mentioned permits and for the same purposes will not exceed 90,329 AFA (acre-feet annually).

The total combined consumptive duty for mining and milling purposes under the above permits and any changes of these permits, with the exception of 62320 S-3, 62320 S-4 and 62320 S-6, must not exceed 6047 AFA (acre-feet annually). An additional 10,646 AFA is authorized for substitutive uses.

All water diverted but not used for mining or milling purposes will be discharged to the Iron Point Relief Canal via the aqueduct completed in June, 1993, or to the Rapid Infiltration Basin System.

All water diverted will be measured and reported to the State Engineer on a monthly basis. The report will include the amount of water diverted from each well, the amount of water used for mining and milling purposes, and the amount discharged to the Iron Point Relief Canal Rapid Infiltration Basin or other substitutive uses. This report shall include the amount of water delivered to any other projects. This report must be submitted to the State Engineer within 15 days of the last day of the preceding month.

This permit is issued subject to the "Lone Tree Mining, Inc. Unified Monitoring Plan", March 27, 1993.

The State Engineer will retain the right to require additional monitoring over and above the monitoring required in the monitoring plan mentioned and also will retain the right to seek other disposal options of water discharged to the Iron Point Relief Canal. The State Engineer retains the right to regulate discharge based on flood considerations.

The permittee, on a schedule acceptable to the State Engineer, will prepare and present an update on the activities of the mine and the monitoring plan on a periodic basis, but not less than two times a year.

A "Stipulation to Withdraw Protest" was made and entered into by and between Santa Fe Pacific Gold Corporation, Lone Tree Mine and its successors, and Lander County on August 12, 1994. A second "Stipulation to Withdraw Protest" was made and entered into by and between Santa Fe Pacific Gold Corporation, Lone Tree Mine and its successors, and the Humboldt River Basin Water Authority in August, 1994. The State Engineer may not concur with and is not bound by the terms and conditions of these stipulations to withdraw protest, pursuant to NAC 533.150.

This permit also incorporates the provisions of Amended Order Nos. 1085 and 1086, issued by the State Engineer on January 21, 1994.

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The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 18.51 cubic feet per second.

Work must be prosecuted with reasonable diligence and be completed on or before:

May 25, 2007

Proof of completion of work shall be filed on or before:

June 25, 2007

Water must be placed to beneficial use on or before:

May 25, 2009

Proof of the application of water to beneficial use shall be filed on or before:

June 25, 2009

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 22nd day of July A.D. 2005

  
\_\_\_\_\_  
State Engineer

Completion of work filed \_\_\_\_\_

Proof of beneficial use filed \_\_\_\_\_

Cultural map filed N/A \_\_\_\_\_

Certificate No. \_\_\_\_\_ Issued \_\_\_\_\_